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Update on Chilean Advertising of Packaged Foods and Beverages

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Trade Policy Monitoring Retail Foods

Approved By:

Marcela Rondon, Agricultural Attaché

Prepared By:

Nelson Ramirez, Agricultural Specialist

Report Highlights:

On December 11, 2017, Chilean Ministry of Health (MOH) published in the Official Gazette, Decree N°1, which outlines the implementing regulation for labeling and advertising of packaged foods and beverages that carry one or more black octagonal stop sign labels. Chile notified the proposed implementing regulation to the World Trade Organization Technical Barriers to Trade Committee (WTO/TBT) on November 15, 2016.

It is important to note that the current Chilean government is neither revising Law 20.606 of 2012, nor is it revising its implementing regulations, namely Decree N°1 of 2017 or Decree N°13 of 2015.

General Information:

On June 7, 2012, Chile's MOH published Law 20.606 commonly known as "Super 8 Law" or Law of Food Labeling and Advertising. According to Article 6 of Law 20.606, all food advertising must contain a message, determined by MOH, which promotes habits of a healthy life. Decree N°1 is the implementing regulation that sets the characteristics and the disposition of the graphic norm to use for the message.

Decree N°1 stipulates that as of June 11, 2018, all media advertising including television, radio, print press, and those placed on public places or in the internet must bear the text "Prefer foods with fewer stop signs" followed by the phrase "Ministry of Health, Government of Chile" below the MOH's logo. In addition to the implementation of the advertising regulation (Decree N°1 of 2017).

Furthermore, Decree N°1 defines the main means of mass communication (broadcasting publishing, and the internet) as well as advertising capable to disseminate, transmit or propagate text, sounds or images destined to the public, and those means include television, radio, press, advertising placed in the streets for public view and the internet. In addition, the decree mandates specific instructions on the specific timeframe depending on the media outlet and the hours when advertising of packaged food products that have one or more stop sign label can be used as well as the format of the MOH's logo.

In the case of audio advertisement, the message "Prefer foods with fewer stop signs" followed by the phase "Ministry of Health, Government of Chile" should use four seconds of the advertisement.

For the complete specifications of the logo and the message in print advertisement, click <u>here:</u>

Chile's MOH will begin enforcing, as of June 26, 2018, the new thresholds or limits of critical nutrients that will be used to determine if a food product should have or should not have a sign warning according to the provisions established on the implementing regulation, Decree N° 13 of 2015.

See Table N°1 and Table N°2 below (24 months following entry into force of Decree N°13 of 2015).

Table N° 1: Content Limits of Energy, Sodium, Total Sugars and Saturated Fats in Solid Foods

Nutrient or Energy	Date of entry into force: 06/26/2016)	24 months following entry into force: (06/26/2018)	36 months following entry into force: (06/26/2019)		
Energy kcal/100gr	350	300	275		
Sodium mg/100gr	800	500	400		
Total Sugars g/100g	22.5	15	10		
Saturated fats g/100g	6	5	4		

Table N° 2: Content Limits of Energy, Sodium, Total Sugars and Saturated Fats in Liquid Foods

Nutrient or	Date of entry into	24 months following entry	36 months following entry into
Energy	force:	into force:	force:(06/26/2019)
	(06/26/2016)	(06/26/2018)	
Energy kcal/100ml	100	80	70
Sodium mg/100ml	100	100	100

Total sugars g/100ml	6	5	5
Saturated fats g/100ml	3	3	3

What is the Chilean Food Industry Saying?

Although the implementation is widely supported not only by the Ministry of Health, but also Chile's legislative and the executive branch of government, the Association of Food and Beverages of Chile, (AB Chile), has expressed reservations regarding some technical and nutritional aspects of the regulation. According to Marisol Figueroa, General Manager of AB Chile, the Ministry of Health's message is not the most appropriate. She notes that it is confusing from a mass communication point of view and wrong from both technical and nutritional aspects. The exceptions considered in the regulation, the limits established for the critical nutrients (salt, sugar, saturated fat and energy), the measurement criterion by 100 grams or 100 milliliters (ml) and the fact that only processed and packaged foods use the black stop signs, makes it impossible to rely exclusively on the "stop signs" to choose the most suitable product.

For the complete article in Spanish, please click <u>here.</u>

Carozzi, a Chilean food company, supports AB Chile's position arguing that the implementing regulation of Law 20.606 misinforms consumers. According to the company, the main reason is that it establishes the limits over 100 grams or 100 milliliters and not over normal consumption portions. Furthermore, the advertising regulation, Decree N° 1, will only exacerbate misinformation, because it will end up installing, the false believe that all foods without stop signs are healthier, which is not true. Not always having less stop sign is the best option.

For the complete article in Spanish, please click here.

For Chile's MOH's evaluation report after one year of implementation of the advertising law, published on the MOH's website on June 2017 in Spanish, click <u>here</u>.

For FAS Santiago Reports on Chile's Law on Food Labeling and Advertising, please see: Chile 6-26-2015
New Nutritional Labeling Regulation Santiago Chile 4-22-2015